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$\frac{FTAA-COMMITTEE\ OF\ GOVERNMENT\ REPRESENTATIVES\ ON\ THE}{PARTICIATION\ OF\ CIVIL\ SOCIETY}$

COVER SHEET

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Organization (s)	Caribbean Policy Development Centre (CPDC – Co-ordinator), Agencies
(if applicable)	Association of Caribbean Economists (ACE), Association of Development
	(ADA), Caribbean Association for Feminist Research and Action
	(CAFRA); Caribbean Congress of Labour (CCL); Centro de Investigacion
	Economica para el Caribe (CIECA); Haitian Platform for Alternative
	Development (PAPDA); Windward Islands Farmers Association (WINFA)
Country (ies)/	Caribbean Region
Region	

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ISSUES ADDRESSED (Check all that apply)

Agriculture	X	Subsidies, Antidumping and	
-		Countervailing Duties	
Competition Policy	X	Civil Society	X
Dispute Settlement		Electronic commerce	
Government Procurement	X	Smaller Economies	X
Intellectual Property Rights		The FTAA Process	X
Investment X Other		Other - Poverty, Women, Labour, Vuli	nerable Groups,
		Debt	
Market Access	X		
Services	X		

Executive Summary

This paper represents an attempt to bring to the FTAA process a critical element that has been substantially lacking in the ongoing dialogue - the voice of civil society, the poor and the disadvantaged. The positions in this paper are therefore based on the philosophical principle that the overarching tenet of any Free Trade Area of the Americas must be based on a people centred approach, and also seeks to fully integrate social development issues into its core framework.

The CRG believes that the FTAA must be responsive to the social realties and various levels of inequalities that exist in and among countries. Given this the overarching mandate must be one which seeks to reduce poverty and inequality, with the promotion of an enabling environment for the equitable distribution of trade while promoting stable, long-term, and equitable development. Additionally, this paper queries the move to introduce a WTO Plus agreement prior to a review of the Uruguay Round.

Caribbean NGOs in the region are not unaware of the benefits of free trade or the benefits of hemispheric alliances. However, we believe that a successful agreement should seek to:

- Establish poverty reduction as its most critical and central objective;
- Develop a framework that is sensitive to the needs of smaller economies and sets up concrete mechanisms in recognition of this;
- ➤ Give substantive acknowledgement to the special needs of labour, women and the environment and seeks to integrate the concerns of these sectors into its framework;
- Promotes a truly inclusive, representative and transparent process;

Specifically, the Caribbean Reference Group on External Relations is calling on policy makers involved in the FTAA process to:

- Establish specific poverty reduction and social development targets aimed at reducing poverty and social exclusion, as well as to redress inequity in the distribution of profits from trade;
- Bridge the gap which was created between the economic and social development concerns discussed at the Summit of the Americas, by taking the current FTAA process one step further and creating a Social Development Pact of the Americas (SEDPA). This pact would contain a genuine free trade area together with a social development platform;
- Figure Concrete recognition to the limitations of small and micro-economies in the region by institutionalising a system of special and unequal treatment for these states. This special recognition should be further manifested in the immediate upgrading of the special Consultative Committee on Small Economies to a negotiating group. Further that full non-reciprocal arrangements be extended to all countries so designated as Highly Indebted Poorer Countries (HIPC) for no less than ten years and that all bilateral debt owed by any HIPC or severely indebted country member involved in the current FTAA process be immediately and unreservedly cancelled.

We are also calling for the establishment of a Regional Integration Fund which would finance orderly transitions to fully liberalised market systems with particular emphasis on the training and retraining of workers to re-enter the workforce.

Additionally, the CRG believes that:

- The current mechanism for civil society participation is flawed and that there is a need to detached the various voices of civil society, mainly that of business from that of NGO, labour and academia. Further we are positing that continuous participation can be facilitated through the establishment of special consultative committee on the negotiations at the national and sub-regional levels.
- > The FTAA process should seek to enhance the position of vulnerable sectors, namely labour the environment and women. We are therefore recommending that all signatories of the FTAA agreement ratify the ILO conventions on the rights of the workers and the establishment of a labour standard protection panel to investigate and adjudicate breaches of the convention.

- A separate Consultative Committee on the enhancement of women's concerns is introduced and that immediate implementation of the salient provisions of the Beijing Platform is prioritised.
- Environmental Protection Clauses be introduced in the agreement, which would set standards for transnational corporations and governments alike.
- ➤ HIPC and severely indebted countries, should be granted a blanket reprieve from full reciprocity market access arrangements under the FTAA, for up to a period of ten years after the official launch of the FTAA.
- > The agricultural sector in all countries should be granted special exempt status from fully liberalised market conditions in regard to the production of basic commodities for domestic consumption and a country's economic stability.
- The guiding principles governing for the trade in services negotiations should be those established in Article XIX of the GATS and that liberalisation should be undertaken in a selective manner, especially with regard to the varying levels of development.
- > Smaller economies should not be subject to or made to implement investment guarantee provisions.
- ➤ There should be no consideration of any regime within the FTAA that seeks to encourage countries to liberalise existing national regulations government procurement as it strikes at the core of national sovereignty.

Concern about the capacity of smaller CARICOM countries on the issue of Competition Policy have been expressed in both the FTAA and Post Lomé negotiations. The CRG there strongly recommend that the FTAA process should seek to establish a special sub-committee to examine the current stage of development in competition policy regimes, with a mandate to advise on measures needed to build capacity of those countries unable to participate in the FTAA proposed regime.